

1250 West Century Avenue Mailing Address: P.O. Box 5601 Bismarck, ND 58506-5601 (701) 530-1600

November 30, 2017

Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: WBI Energy Transmission, Inc.

Prior Notice Request

Docket No. CP18-\_\_\_-000

Dear Ms. Bose:

WBI Energy Transmission, Inc. ("WBI Energy" or "Company"), pursuant to Section 7 of the Natural Gas Act and Sections 157.205 and 157.210 of the Commission's regulations, respectfully submits for filing a Prior Notice request for authorization to construct natural gas pipeline facilities in McKenzie County, North Dakota under its blanket certificate obtained in Docket Nos. CP82-487-000, et al. The project will include: approximately 12 miles of 24" diameter pipeline from WBI Energy's existing Spring Creek Meter Station to the existing Cherry Creek Valve Setting; the addition of measurement and related equipment at the Spring Creek Meter Station and WBI Energy's Wild Basin Meter Station; and the addition of equipment at the Cherry Creek Valve Setting, all in McKenzie County, North Dakota.

The filing includes the following volumes:

Volume I – consists of the Application. The information contained in Volume I is public.

Volume II – consists of the Environmental Report and all associated Appendices (except for Appendices IV-C through IV-E, which are included in Volume IV). The information included in Volume II is public.

Volume III – consists of Appendix III-A, Flow Diagrams. The information contained in Volume III is considered Critical Energy Infrastructure Information ("CEII") and WBI Energy requests privileged and confidential treatment of this information, which is labeled: "CUI // CEII – DO NOT RELEASE."

Volume IV – consists of Appendices IV-A and IV-B, Precedent Agreements; Appendix IV-C, Names and Addresses of Affected Landowners; and Appendices IV-D and IV-E, Cultural Resource Inventory and Cultural Resource Site Avoidance Exhibits. Consistent with the Commission's precedent and regulations with respect to sensitive information, WBI Energy requests privileged and confidential treatment of this information, which is labeled: "CONTAINS PRIVILEGED INFORMATION – DO NOT RELEASE."

Any questions regarding this application should be addressed to the undersigned at (701) 530-1563.

Sincerely,

/s/ Lori Myerchin

Lori Myerchin Manager, Regulatory Affairs

#### Attachments

cc: Adrienne Riehl

Brian O'Neill

Courtesy Copies: OEP Room 62-46 (2 copies)

#### UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

WBI Energy Transmission, Inc.

Docket No. CP18- -000

#### REQUEST FOR AUTHORIZATION UNDER THE PRIOR NOTICE PROCEDURES FOR THE CONSTRUCTION OF MAINLINE NATURAL GAS FACILITIES

WBI Energy Transmission, Inc. ("WBI Energy" or "Company"), pursuant to its blanket certificate obtained in Docket Nos. CP82-487-000, et al. <sup>1</sup>, hereby files this Prior Notice request for authorization, in accordance with section 7(c) of the Natural Gas Act ("NGA")<sup>2</sup> and 18 CFR Sections 157.205 and 157.210 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations, to construct and operate mainline natural gas facilities in McKenzie County, North Dakota. In support of its request, WBI Energy respectfully shows the following:

#### I. CORRESPONDENCE

The names, titles, mailing addresses and phone numbers of the persons who should be served with communications concerning this request are<sup>3</sup>:

Lori Myerchin Manager, Regulatory Affairs WBI Energy Transmission, Inc. P.O. Box 5601 Bismarck, North Dakota 58506-5601 (701) 530-1563 lori.myerchin@wbienergy.com

Brian D. O'Neill Van Ness Feldman, L.L.P. 1050 Thomas Jefferson St. NW Seventh Floor Washington, D.C. 20007 (202) 298-1983 bdo@vnf.com

<sup>&</sup>lt;sup>1</sup> By the Commission's Order dated February 13, 1985 in Docket Nos. CP82-487-000, et al., (30 FERC ¶ 61,143), WBI Energy Transmission, Inc. was authorized to acquire and operate the interstate pipeline facilities previously owned and operated by MDU Resources Group, Inc. ("MDU"), its parent company, as well as to provide the certificated service previously provided by MDU, effective January 1, 1985. MDU was originally granted blanket certificate authority in Docket Nos. CP83-1-000, et al.

<sup>&</sup>lt;sup>2</sup> 15 U.S.C. § 717f(c) 2012.

<sup>&</sup>lt;sup>3</sup> WBI Energy respectfully requests waiver of 18 CFR § 385.203(b)(3) to allow each person listed to be included on the Commission's official service list for this filing.

and

Adrienne Riehl
Attorney
MDU Resources Group, Inc.
P.O. Box 5650
Bismarck, ND 58506-5650
(701) 530-1091
adrienne.riehl@mduresources.com

II.

# IDENTIFICATION OF APPLICANT AND DESCRIPTION OF APPLICANT'S EXISTING OPERATIONS

The exact legal name of WBI Energy is WBI Energy Transmission, Inc. WBI Energy is a corporation organized and existing under the laws of the state of Delaware, with its principal place of business located at 1250 West Century Avenue, Bismarck, North Dakota 58503. WBI Energy is authorized to conduct, and is conducting, business in the states of Montana, North Dakota, South Dakota and Wyoming.

WBI Energy is a natural gas company engaged in the gathering, transportation and storage of natural gas. WBI Energy operates underground storage reservoirs in the Cedar Creek (Baker) Field, Montana; the Elk Basin Field, Wyoming; and the Billy Creek Field, Wyoming to serve its natural gas system.

#### III. EXECUTIVE SUMMARY

WBI Energy herein requests authorization to construct and operate approximately 12 miles of 24-inch diameter steel pipeline, and to expand its Spring Creek Meter Station and its Wild Basin Meter Station in McKenzie County, North Dakota as part of its Line Section 27 Cherry Creek to Spring Creek Expansion Project (referenced to herein as "Project"). Oasis Petroleum Marketing, LLC ("Oasis") has requested a total of 196,000 equivalent dekatherms ("dkt") per day of incremental firm transportation service from the tailgate of its Wild Basin

Plant to WBI Energy's interconnect with Northern Border Pipeline Company ("Northern Border"). In addition, ONEOK Rockies Midstream, L.L.C. ("ONEOK") has requested 10,000 equivalent dkt per day of incremental firm transportation service from its Garden Creek Plant to WBI Energy's interconnect with Northern Border. The Project will provide the additional capacity necessary for the transportation of the incremental natural gas volumes.

### IV. CONTRACTUAL COMMITMENTS

WBI Energy has entered into a binding Precedent Agreement with Oasis which provides that WBI Energy will deliver a Maximum Daily Delivery Quantity ("MDDQ") of up to 196,000 equivalent dkt per day to the Northern Border – Spring Creek delivery point on Line Section 27. Please see Appendix IV-A for a copy of the Precedent Agreement between WBI Energy and Oasis.

WBI Energy conducted a binding open season for the sale of firm transportation capacity for delivery of natural gas from existing or new receipt locations on Line Section 27 to the Spring Creek – Northern Border interconnect from June 9, 2017 through June 16, 2017. As a result of this open season, WBI Energy received one additional solicitation for firm capacity from ONEOK and subsequently executed a Precedent Agreement for 10,000 equivalent dkt per day of firm transportation service from ONEOK's Garden Creek Plant to the Northern Border – Spring Creek delivery point on Line Section 27. Please see Appendix IV-B for a copy of the Precedent Agreement between WBI Energy and ONEOK.

This Project is in the public interest. It will help reduce the amount of associated natural gas currently being flared in the Bakken region of North Dakota and bring additional natural gas supply to market. New processing and pipeline infrastructure are of critical importance for the

increasing levels of associated natural gas production in North Dakota. The Project is consistent with this need for new infrastructure. It is designed to provide a timely and seamless increment of new pipeline transportation capacity to accommodate receipts of processed gas from expanded processing facilities as they come on-line.

## V. DESCRIPTION OF FACILITIES

#### **Proposed Facilities under Section 157.210**

#### Pipeline Facilities

WBI Energy proposes to construct approximately 12 miles of 24-inch diameter steel pipeline that will mostly parallel WBI Energy's existing 16-inch Garden Creek II natural gas pipeline in McKenzie County, North Dakota. The pipeline will commence at the existing Spring Creek Meter Station ("Spring Creek Station") and extend in an easterly direction for approximately 3 miles then turn north for approximately 9 miles before terminating at the Cherry Creek Valve Setting. The pipeline will have a 0.500-inch wall thickness with pipeline at guided bore locations having a 0.594-inch wall thickness. The pipeline will have a Maximum Allowable Operating Pressure of 1,550 pounds per square inch gauge ("psig"). All land crossed by the proposed pipeline facilities is privately owned.

#### Expanded Wild Basin Meter Station

The Wild Basin Meter Station ("Wild Basin Station") will be expanded by the addition of a 10" meter, additional H2S and moisture analyzers, and the addition of a second stream to the existing gas chromatograph. Additional valves and aboveground and belowground piping will be required to connect the new equipment to the existing system. These additional facilities will be installed within the existing Oasis-owned Wild Basin Plant by expanding WBI Energy's existing easement by an additional 50' x 100'.

#### Expanded Valve Setting at Cherry Creek

The new section of proposed pipeline will tie into the existing Cherry Creek Valve Setting at approximate milepost 11.9. The valve setting location will be upgraded to include a new pig launcher/receiver and associated piping. All expansion activities will be within the fenced boundary of the existing facility. No additional land purchases or easements will be required.

#### **Expanded Spring Creek Meter Station**

The Spring Creek Station will be expanded by the addition of a 12" meter and control valve skid, additional H2S and moisture analyzers, and the addition of a third stream to the existing gas chromatograph. A third oxygen analyzer may be installed, dependent upon Northern Border's current gas quality analyzer requirements. Additional valves and aboveground and belowground piping will be installed to connect the new equipment to the existing system. A new valve setting and a pig launcher/receiver will also be installed within WBI Energy's expanded site. Gas exiting the meter station will enter Northern Border's pipeline via two existing 12-inch and 16-inch pipelines.

These additional facilities will require the acquisition of approximately 4 acres of property at the Spring Creek site.

#### VI. LOCATION OF FACILITIES

The location of the Project is shown on the system map, aerial maps and topographic maps which are included in Appendices II-A and II-B. WBI Energy has included flow diagrams in Appendix III-A in accordance with 18 CFR Section 157.208(c)(5).

#### VII. FINAL AUTHORIZATION

WBI Energy plans to commence construction as soon as weather permits in the spring of 2018 after it receives authority through the Prior Notice procedures, with an anticipated inservice date of September 1, 2018. WBI Energy understands that, pursuant to Section 157.205(h) of the Commission's regulations, it will be deemed authorized to perform the actions proposed herein if no protest is filed within 60 days of issuance of the notice of this request.

#### VIII. COST OF FACILITIES

The total estimated cost of the Project is \$27.2 million, which is below the 2017 Prior Notice project cost limitation of \$33.2 million. WBI Energy plans to finance the Project utilizing a combination of internally generated funds and/or debt. WBI Energy will comply with the reporting requirements of Section 157.208(e)(3) of the Commission's regulations.

#### IX. ENVIRONMENTAL MATTERS

An Environmental Report, along with appendices, discussing the relevant issues outlined in 18 CFR Section 380.12 of the Commission's regulations is provided as Volume II.

WBI Energy has received environmental clearances from the U.S. Fish and Wildlife Service and the North Dakota Historical Society – Historic Preservation Office. Copies of correspondence to, and clearances from, these agencies are included as Appendices II-G and II-H.

Pursuant to Section 157.208(c)(10) of the Commission's regulations, WBI Energy commits to having the Environmental Inspector's report filed with the Commission on a weekly basis during construction.

# X. OTHER AUTHORIZATIONS

WBI Energy will design, construct, test, operate and maintain the proposed facilities in accordance with all applicable local, state and federal regulations, codes and standards, including the pipeline safety requirements of the Department of Transportation specified at 49 CFR 192, "Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards" and the Commission's requirements for siting and maintenance specified at 18 CFR 380.15, "Siting and Maintenance Requirements."

#### XI. NOTICE

In accordance with Section 157.205(b)(4) of the Commission's regulations, WBI Energy states that the proposed activity complies with the requirements of 18 CFR, Part 157, Subpart F. Pursuant to Section 157.205(b)(5), a Form of Notice suitable for publication in the <u>Federal Register</u> is included herewith. In accordance with Section 157.205(b)(6), WBI Energy states that it knows of no pending applications that are related to the instant filing.

### XII. INFORMATION SUBMITTED

This filing includes the following volumes: Volume I contains the Application. Volume III consists of the Environmental Report and associated public appendices. Volume III contains information considered to be Critical Energy Infrastructure Information, and WBI Energy requests privileged and confidential treatment of this information. Volume IV contains sensitive shipper, landowner and cultural resources information and WBI Energy requests privileged and confidential treatment of this information.

NOW THEREFORE, WBI Energy hereby gives notice of its request for authorization to construct and operate the mainline natural gas facilities described above.

Dated this 30th day of November 2017.

Respectfully submitted,

WBI Energy Transmission, Inc.

By /s/ Lori Myerchin

Lori Myerchin Manager, Regulatory Affairs STATE OF NORTH DAKOTA

COUNTY OF BURLEIGH )

I, Lori Myerchin, being first duly sworn, do hereby depose and say that I am the Manager of Regulatory Affairs for WBI Energy Transmission, Inc.; that I have read the foregoing document; that I know the contents thereof; that I am authorized to execute such document; that the activity proposed therein complies with the requirements of Rule 2011(c)(5) of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2011(c)(5), and that all such statements and matters set forth therein are true and correct to the best of my knowledge, information and belief.

Dated this 30 day of November 2017.

Lori Myerchin

Manager, Regulatory Affairs

Subscribed and sworn to before me this day of November 2017.

Carmen Fish, Notary Public

Burleigh County, North Dakota

My Commission Expires: 9/26/2019

CARMEN FISH Notary Public State of North Dakota

My Commission Expires Sep 26, 2019

# UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

WBI Energy Transmission, Inc.	Docket No. CP18-	-000

#### PRIOR NOTICE REQUEST UNDER BLANKET CERTIFICATE

(December \_\_\_, 2017)

Take notice that on November 30, 2017, WBI Energy Transmission, Inc. (WBI Energy) filed a Prior Notice request for authorization, in accordance with 18 CFR Sections 157.205 and 157.210 of the Federal Energy Regulatory Commission's (Commission) regulations under the Natural Gas Act and WBI Energy's blanket certificate issued in Docket Nos. CP82-487-000, et al., for the construction and operation of mainline natural gas facilities located in McKenzie County, North Dakota. WBI Energy proposes to: (1) construct approximately 12 miles of 24-inch diameter steel pipeline and add facilities at its Cherry Creek Valve Setting; (2) expand its Spring Creek Meter Station; and (3) expand its Wild Basin Meter Station. The facilities will allow WBI Energy to provide incremental firm transportation service for two shippers that have signed precedent agreements.

Any questions regarding the application should be directed to Lori Myerchin, Manager, Regulatory Affairs, WBI Energy Transmission, Inc., 1250 West Century Avenue, Bismarck, North Dakota 58503, (701) 530-1563 (email: lori.myerchin@wbienergy.com).

Any person or the Commission's Staff may, within 60 days after issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the regulations under the NGA (18 CFR 157.205), a protest to the request. If no protest is filed within the time allowed therefore, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the allowed time for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the NGA.

Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such motions or protests must be filed on or before the comment date. Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of comments, protests and interventions in lieu of paper using the "eFiling" link at <a href="http://www.ferc.gov">http://www.ferc.gov</a>. Persons unable to file electronically should submit an original and 14 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426.

This filing is accessible on-line at <a href="http://www.ferc.gov">http://www.ferc.gov</a>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, D.C. There is an "eSubscription" link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email <a href="mailto:FERCOnlineSupport@ferc.gov">FERCOnlineSupport@ferc.gov</a>, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5:00 pm Eastern Time on (insert date).

Kimberly D. Bose

Secretary